

**Testimony :: Mr. Daniel Fried**  
**Assistant Secretary, Bureau of European and Eurasian Affairs - U.S. Department of State**

**Introduction**

Chairman Brownback, Co-Chairman Smith, Senators, Congressmen: I am very pleased to be here in the year marking the 30<sup>th</sup> anniversary of the Helsinki Final Act to discuss the Organization for Security and Cooperation in Europe (OSCE) and its role in advancing the interests and values of our nation. The principles enshrined in that Act, linking security *among* states to respect for human rights *in* states, form the core agenda of the OSCE today. They are also at the core of the President's foreign policy agenda, and I know they are of great importance to you.

In his second inaugural address, the President declared a clear policy of promoting democracy and freedom throughout the world. In her opening remarks at this year's OSCE Parliamentary Assembly, Secretary Rice reaffirmed President Bush's deep commitment to the OSCE and its important work in advancing freedom. Around the globe people are standing up and embracing the values of respect for human rights and fundamental freedoms as enshrined in the Helsinki Final Act. They are calling on their governments to guarantee and respect these inalienable human rights. The OSCE is front and center in helping them achieve this goal. I appreciate this opportunity to state my personal commitment to working with you to pursue the course the Helsinki process charted so many years ago: a course to security and stability in Europe and Eurasia.

The OSCE is a tremendous asset and platform for advancing a great range of issues in the Euro-Atlantic region. On human rights and support for democracy, the so-called human dimension, its expertise and accomplishments are unparalleled. Its election observation methodology represents the gold standard in this field, and the OSCE's efforts have been instrumental in advancing democracy. The organization has undertaken groundbreaking work in the promotion of tolerance and in combating anti-Semitism and other forms of intolerance. The OSCE is a valuable partner in our joint efforts to promote basic freedoms and human rights, including religious freedom and freedom of the media. Its field missions are vital to the OSCE's work in many areas, and we strongly support these presences. The OSCE also performs important work in the security and economic spheres; it is a key instrument in helping solve regional conflicts, in countering terrorism and combating trafficking in persons.

The OSCE's successes would not be possible without support from Members of Congress and their dedicated staffs. I want to thank you for your work through the Helsinki Commission and the OSCE Parliamentary Assembly. Both have been keys to building a consensus for our shared agenda among the legislatures and publics of the OSCE's 55 participating States. We greatly value Congressman Hastings' activism as President of the OSCE Parliamentary Assembly on OSCE issues and the involvement of the parliamentary assembly in election monitoring and other important work. Congressman Smith, Senator Brownback, your personal efforts have helped keep the OSCE a vibrant, modern organization with its pioneering work on combating the rising scourge of anti-Semitism and other forms of intolerance, and on the despicable business of trafficking in persons.

Since 1989, Europe has undergone a historic transformation and the OSCE has played a vital role in advancing freedom from Central Europe to Central Asia, as the frontier of freedom has progressed. Peaceful, democratic transitions in Georgia, Ukraine and Kyrgyzstan are testaments to the OSCE's vital role in promoting freedom and democracy. Citizens of these countries demanded their leaders' adherence to OSCE commitments and to the principles of freedom and democracy, and said "enough" to fraudulent elections.

Moreover, those initial fraudulent elections bore witness to the importance of thorough and objective election observation -- observation which provided both the international community and domestic citizens with a credible assessment upon which to base demands for a legitimate outcome. The OSCE is continuing to work with the governments and civil society in those countries to help them create and maintain democratic and open societies based on the rule of

law, which will make them stable and secure neighbors.

Elsewhere, OSCE election experts watched as the Afghan people cast their ballots in Afghanistan's unprecedented elections. OSCE's election observation methodology is now the gold standard for international and domestic election observations. Established democracies such as France, Spain, the United States and U.K. have taken OSCE suggestions on board in their efforts to hone the tools of democracy.

The OSCE is going through a process of examining ways to increase its effectiveness, and looking at the Panel of Eminent Persons Report's suggestions as one source for possible change. I do not believe that this is a time of crisis for the OSCE. Rather, it is a time of opportunity for participating States to re-commit to fulfilling the agreements we have made and exploring ways to meet today's emerging challenges: trafficking, organized crime, proliferation of weapons of mass destruction, counterterrorism, and illegal migration.

We want to preserve and enhance the ability of participating States and NGOs to stand up in the OSCE context, whether at the Permanent Council meetings or at the HDIM, and speak openly and frankly about how we are all living up to our OSCE commitments. Just as we value these exchanges in which countries like Belarus, Uzbekistan, Turkmenistan and others are called upon to defend their records on human rights, democracy and freedom, we value speaking about our own progress and commitments. When the U.S. stands up and talks openly about issues in this country, we set an example of what can be accomplished when a state opens itself to scrutiny and recognizes the value in publicly explaining its own behavior.

We are endeavoring to work constructively with Russia in the OSCE and we are consulting with our Russian colleagues on issues related to reform, OSCE's financial arrangements, and areas for cooperation within the OSCE. We have consistently made clear the fundamental importance of OSCE's democracy and human rights work, independence of institutions, field missions, extra budgetary contributions, election observations, and other issues, and our engagement with Russia will not compromise our commitment to standing up for OSCE's core values and principles.

The OSCE is a unique forum allowing us full engagement with Russia, as we raise our concerns about the strength and depth of Russian commitment to human rights, democratic reform and the rule of law while still working together on many issues that secure peace and growth in Europe. We want to work with Russia as a partner to support the progress of the countries of Central Asia and the Caucasus in becoming more prosperous, democratic and secure.

As President Bush noted in his 2005 Inaugural Address, peace depends upon the expansion of freedom; the work of the OSCE is directly related to that objective. I believe the OSCE is very capable of taking on new tasks including a broader role in advancing freedom and security in the world. The Helsinki Process, with its focus on creating a political space for reformers and reform, did great things for Central and Eastern Europe and can serve as an inspiration for the governments and people of the Broader Middle East and Asia as well.

The OSCE also has a role to play in helping to win the global war on terrorism. Promoting security interests collectively through the OSCE allows the United States to share costs and political responsibility with other states and, at the same time, to coordinate actions, avoiding duplication and maximizing success. Today, I would like to address in detail the OSCE's value to the United States, the OSCE's recent accomplishments and plans for the future, and calls to refocus and restructure the OSCE.

### **Importance of the OSCE to the United States**

U.S. participation in the OSCE advances U.S. interests and our values by promoting democracy, strengthening respect for human rights and fundamental freedoms, and advancing arms control, confidence- and security-building measures, as well as economic prosperity and sustainable environmental policies. The OSCE also has a role to play in helping to win the global war against

terrorism, and it is a vehicle for the kind of "transformational diplomacy" of which Secretary Rice has spoken so often. The OSCE has an instrumental role in transforming societies into democratic members of the international community. Promoting our interests collectively through the OSCE allows the United States to share both costs and political responsibility with other states and, at the same time, to coordinate actions to avoid duplication and maximize success.

The United States continues to make effective use of the OSCE's flexible and comprehensive approach to security, which recognizes human rights, as well as economic and environmental issues as integral factors in fostering security and stability. Common principles agreed by consensus give the United States and other OSCE participating states shared values and commitments on which to act. The OSCE can bring the weight of 55 nations acting together to bear on problems that no one nation can solve alone.

The OSCE has made a significant contribution in the post-Communist era toward achieving America's goal of a free, whole, and peaceful Europe, though much still needs to be done. The OSCE is adapting to new challenges and providing models for addressing tough issues such as intolerance, border management and control of small arms and light weapons (SA/LW), models from which the United Nations and other international organizations draw. At the same time, OSCE resources are modest. It depends on the contributions of its member states. Any new initiatives must represent the top priorities of the United States and other participating states.

### **Reform and Future OSCE Activities**

One of the key tasks facing the OSCE this fall is the ongoing discussion regarding the scope and nature of reforms of the organization's structures and activities. We are closely examining those proposals that might enhance the effectiveness and efficiency of the organization and do not undercut its work in the human dimension. We look forward to working with the Slovenian Chair, the EU and all other participating States to find ways to do just that.

Our goal will be to preserve the independence and flexibility of the institutions and funding and missions that we so value. We want the OSCE's institutions and missions to be adequately funded and staffed, with flexible and rational mandates, able to respond with resources - both financial and human - to developing situations. We want the OSCE to look forward to what more it can do, and what it can do better, and that to us, does not mean more bureaucracy, more meetings, more layers of authority, or more centralized control over institutions or field missions. We welcome your ideas and thoughts as we go through the reform process.

The OSCE's most important assets are its institutions and the 17 field presences on the front lines of democracy and human rights from the Balkans to Central Asia. The United States strongly supports OSCE field work and believes the day-to-day efforts of OSCE field offices are critical to promoting OSCE commitments, especially democratic values and international human rights standards. In their work with host governments, NGOs and the public, field missions perform vital work in numerous fields, from institution-building, promotion of democracy and development of civil society to coordinating international efforts at conflict prevention, post-conflict rehabilitation, and conflict resolution.

### **Fight Against Intolerance**

The OSCE's pioneering work fighting racism, anti-Semitism and other forms of intolerance has become the standard by which other international organizations' efforts - including those of the United Nations - are measured. The OSCE's work to prevent hate crimes and discrimination by confronting the roots of intolerance, strengthening respect for ethnic and religious diversity, and providing an environment free from fear of persecution or prejudice, are top priorities for the United States. The OSCE tackles these challenges through programs and projects in the fields of legislative reform, law enforcement training, education on the Holocaust and anti-Semitism, and projects to combat hate speech on the Internet, while still focusing on protecting freedom of expression. The United States has provided significant political and financial support to the activities of the OSCE's Office of Democratic Institutions and Human Rights (ODIHR) in these

areas, and most recently we seconded an expert to the post of Legal Advisor on Hate Crimes for ODIHR's Tolerance Program.

Thanks to intense efforts by the U.S. Government, in close collaboration with NGO partners, the OSCE established three Personal Representatives on Tolerance in December 2004. Throughout 2005, these three Representatives – on anti-Semitism, on intolerance against Muslims, and on racism, xenophobia and discrimination, including against Christians and members of other religions – have traveled to OSCE States to raise awareness of OSCE commitments and to spread support for projects to assist OSCE States implement these commitments. The Representatives work closely with ODIHR in a cooperative environment, but are free to travel and undertake new projects independent of ODIHR. We will work closely with the incoming Belgian Chairmanship to ensure a mandate for these representatives which gives them the tools they need to fulfill the mission given to them.

The OSCE Cordoba Conference, held in Spain in June 2005 drew high-level attention not only to the problems of anti-Semitism and intolerance, but also to best practices for combating these scourges. The conference attracted over 700 governmental and non-governmental participants, including approximately 15 ministerial-level participants. The U.S. urged OSCE States to do more to implement their commitments to the 2004 Berlin and Brussels Decisions. The Cordoba Declaration reiterated one of the most important points in the previous declarations, that "international developments or political issues, including those in Israel or elsewhere in the Middle East, never justify anti-Semitism." The declaration committed States to "reject the identification of terrorism and extremism with any religion, culture, nationality or race." In these two areas, the OSCE is ahead of any other international organization, including the UN.

U.S. goals for this year's Human Dimension Implementation Meeting, held in Warsaw last month, were successfully met. They included reinforcing our commitment to human rights and democracy, and showing support for NGOs working in these fields; generating political will among States for implementing OSCE commitments; responding accurately to criticism of the U.S. about media freedom and human rights and the war on terrorism, and building support for U.S. positions on tolerance conferences, reappointment of the three Personal Representatives on Tolerance, OSCE reform, and other issues. In addition to delegations from participating States, a record number of over 300 NGOs also participated in this year's HDIM – showcasing the OSCE's special ability to promote civil society through active cooperation.

### **Next Steps in Combating Intolerance**

The series of high-level conferences over the past three years has done much to set in motion important OSCE work – particularly by ODIHR and the three Personal Representatives – to combat intolerance and promote respect for diversity. At these conferences, 55 nations committed to collect hate crime statistics, share information with ODIHR, strengthen education to combat intolerance and consider increasing training for law enforcement officials. ODIHR launched an online database to compare national hate crimes legislation, track incidents of intolerance and anti-Semitism, and disseminate best practices for combating intolerance. We support these initiatives and will work to ensure they continue. We also strongly support the work of the Personal Representatives and support their re-appointment in January 2006 to finish the important work they have only just begun.

The success of these tolerance initiatives, of course, depends on their full implementation. There is much to be done: many OSCE participating states still lack hate crime legislation or systems for tracking hate crime, and ODIHR's law enforcement training program has only been piloted in two countries so far. The U.S. believes ODIHR is the right institution to lead OSCE activities promoting tolerance. With the help of ODIHR experts and the three Personal Representatives, however, we believe tolerance activities can and should also be mainstreamed into all OSCE work, including in the field missions and the Special Police Matters Unit.

OSCE tolerance conferences have exemplified the benefits of the organization's flexible and comprehensive approach to security by responding to specific and immediate issues of concern

such as the rise of anti-Semitism and the increase in intolerance and discrimination against Muslims after September 11. While OSCE States and the ODIHR Tolerance Program must continue to confront all forms of hate and promote tolerance and respect for members of all ethnicities and religions, the framework we have used until now has effectively drawn attention and resources to urgent problems in the OSCE region. Therefore, we are convinced that future meetings should not diminish the distinct focuses on these problems in exchange for a more generic approach. We believe the OSCE should follow-up on the 2004 Sofia Tolerance decision and the 2005 Cordoba conference, through regional seminars or expert-level meetings on implementation in 2006. These will generate even more enthusiasm among governmental and non-governmental experts for implementing OSCE commitments and focus attention on specific ODIHR projects and national best practices, from which all OSCE states can benefit. We support the idea of having high-level conferences along the lines of Cordoba and its predecessors every other year, to ensure high-level political attention to fulfillment of commitments.

### **Anti-Trafficking Efforts**

Over the past year, the OSCE has continued to expand and strengthen its efforts on combating the modern-day slavery called trafficking in persons. In addition to the establishment of the Special Rep on Combating TIP, this year the Anti-Trafficking Assistance Unit got up and running, headed by a very effective U.S. expert, Michele Clark. We want to see this unit and the Special Rep focus OSCE activities on strategic priorities in this area where the OSCE can make a concrete difference.

Of course, participating States have primary responsibility for combating TIP. The OSCE can assist and provide valuable tools and training such as legislative assistance, police training, and economic programs.

The OSCE has also taken the lead in the international community in establishing a strong code of conduct for its mission members to ensure they do not contribute to TIP. This fall, the United States will again introduce a draft ministerial decision to strengthen this work, and have OSCE States agree to take responsibility for their own peacekeeping troops and mission members. This year, we have updated it to include the issue of preventing sexual exploitation by peacekeepers and international mission members. I would like to note the Parliamentary Assembly's declaration in Washington in support of this Ministerial decision, and thank Congressman Smith for his leadership on this initiative.

As you know, the Inspector General of the U.S. Department of Defense briefed the OSCE Forum for Security Cooperation in November 2004 on the DoD "zero tolerance" policy against activities supporting human trafficking. This was the first discussion of human trafficking in the OSCE Forum for Security and Cooperation (FSC).

### **Election Observations**

This past year has been a historic one for the ODIHR, and its active, energetic contributions include conducting impartial election observation missions, most notably in Ukraine and Kyrgyzstan, in partnership with the OSCE Parliamentary Assembly. ODIHR assisted with expertise to improve presidential and parliamentary elections and to provide robust election observation missions that documented the degree to which elections met OSCE commitments and international standards. In Ukraine and Kyrgyzstan, the OSCE observation missions provided both the international community and domestic citizens with a credible assessment upon which to base demands for a legitimate outcome. OSCE also had an observation role in the recent parliamentary elections in Afghanistan, an OSCE Partner for Cooperation. The United States was a major contributor to the election support team efforts, and we appreciate the financial support from other OSCE participating States in helping the Afghan people accomplish a major democratic milestone so successfully.

In keeping with its OSCE commitments, the United States set an example by inviting OSCE to observe last year's general election in this country, as we have done every year since 1996.

consistent with our signing of the 1990 Copenhagen Document. We believe election observers from young democracies that emerged from the former Communist states of Eastern Europe, who participate in observation missions in the United States and other longstanding democracies, become more powerful advocates of better election practices in their own countries. As we expect other countries to abide by their commitments, we must lead by example and be models of cooperation with the OSCE. In this spirit, we just hosted two weeks ago, an ODIHR team for follow-up discussions on our 2004 election.

Upcoming elections in Azerbaijan and Kazakhstan will be key tests of those countries' commitment to democracy. The degree to which these elections are judged to be free and fair, and the progress these elections represent compared to past elections in these countries, will be critical to the international community. The OSCE observation missions will play an important role in determining election fairness and we call on all OSCE countries to fully support all of ODIHR's election observation and democracy promoting activities.

The OSCE's work, through ODIHR, in election monitoring is rightly recognized as superb. Unfortunately, there have been calls by some States to review and even question election-related commitments and methodology. While we are amenable to reviewing areas where ODIHR's effectiveness could be further enhanced, we are strongly against any proposals that would undermine election commitments or impinge on ODIHR's autonomy or effectiveness. We see little need to change something that works so well. The real issue here is not this or that methodology but the lack of political will among some participating States to implement existing commitments and allow the voice of the electorate to be heard.

### **Uzbekistan**

Since the May uprising and subsequent crackdown in Andijon, Uzbekistan has taken numerous steps away from providing the freedom that is essential to long-term stability. Among these have been clamp downs on independent media and civil society, including shutting down a number of U.S.-sponsored NGOs and jailing an Uzbek RFE/RL reporter. Nevertheless, the OSCE is still operating with some effect in Uzbekistan, despite restrictions that have prohibited most work on human dimension issues from its center in Tashkent.

An ODIHR team of experts conducted a preliminary investigation into the Andijon events and published a report in June. According to its report, an attack on police, military units and a prison by a group of armed men, an attack we condemned, escalated into a general protest against the Karimov government. Uzbek authorities responded by sending interior ministry troops to quell the violence. Press and human rights groups' reports indicate that these security forces sealed off the area and proceeded to shoot indiscriminately, killing hundreds of civilians - many, if not most of whom were unarmed.

The OSCE report indicates that although Uzbek authorities were initially battling criminal elements, they ultimately turned on uninvolved civilians. The Uzbek Government's version of the security forces' response is unsubstantiated at best and requires a thorough international investigation. The ODIHR team believes the death toll in Andijon to be significantly higher than the official government claim of 173 dead. In addition, the OSCE report cited the socioeconomic situation in Uzbekistan, lack of access to fair trials and a general sense of injustice as the focus of the protest against the Karimov regime, not the desire to create an Islamic Caliphate as the government claims.

The OSCE's ODIHR trial experts are the only international observers permitted by the Uzbek government to observe Uzbekistan's current show-trial of the first 15 people accused of instigating the Andijon violence. The Uzbek government has otherwise prevented independent investigations into the cases of the accused.

These events present a serious challenge to the OSCE, as well as an opportunity to advance freedom. Because of its ability to admonish participating states for not upholding their OSCE commitments and to investigate human rights violations, the OSCE is well-suited to initiate the

international response to the tragic events in Andijon and to censure the Uzbek government for its crackdown on civil society. The OSCE's Moscow Mechanism is being discussed in capitals as a possible tool to encourage the Uzbek government to open itself to an international investigation in which, as an OSCE member, it has an equal voice.

### **Belarus**

Belarus remains an outpost of tyranny in the heart of Europe. Its government fails to respect its citizens by denying them their human rights and freedom. The repression we reported last year has only deepened. New legal measures aim to silence independent voices, monopolize information, and obstruct all elements of political opposition and democratization.

Belarus falls further and further behind in realizing its OSCE commitments. Its parliamentary elections last October were neither free nor fair. Along with the referendum to end presidential term limits, their badly flawed framework testified to the Government's cynical contempt for freedom and democracy.

The regime in Belarus continues to consolidate its monopoly on information. It has intensified its attempts to stifle the besieged independent media. Rather than protecting it, the law straitjackets free speech. The authorities have suspended newspapers, levied crippling fines, and brought specious libel suits to chill dissent. For example, in August, the Government conjured up spurious legal grounds to deregister the publishers of the independent weekly newspapers Den and Kuryer iz Borisova. After raiding homes and confiscating personal property of three people allegedly involved in posting satirical political cartoons on the Internet, Belarusian authorities proceeded with criminal slander cases against them. In his March report, OSCE Representative on Freedom of the Media Haraszti offered to assist Belarus in reforming its media laws, including exceedingly harsh provisions on libel used to undermine free speech. It should come as no surprise Belarus has ignored the findings and recommendations in Mr. Haraszti's report.

The government of Belarus continues to make it even more difficult, if not impossible, for NGOs, political parties, independent trade unions, and private educational institutions to function. Restrictive legislation adopted this year enhanced the tools available to the regime to punish voices of dissent and reform, including suspension and liquidation of organizations. Recent government measures restrict assistance to prepare for elections, referenda, the recall of MPs, the organization and conduct of meetings, street marches, demonstrations and strikes, among other activities.

### **Moldova and Transnistria**

The OSCE, and in particular the OSCE Mission in Moldova, are working to find long-term solutions to the situation in the breakaway region of Transnistria. The U.S. strongly supports the work of the OSCE in Moldova, which forms part of our own strategy - as well as that of the EU - for finding a peaceful resolution which respects the sovereignty and territorial integrity of Moldova. The situation in Transnistria shows little improvement. Thanks to the concerted efforts of the OSCE Mission, Tiraspol authorities finally relented in their forcible closure of Latin-script-language schools. In Dorotskoye, however, Tiraspol authorities refused Moldovan farmers access to their fields for this year's growing season, denying them their livelihood and creating a humanitarian crisis.

Through the OSCE, we have strongly condemned such actions, and reiterated our demand that the Transnistrians grant the farmers access to their fields and restore the normal movement of people and goods. U.S. and the EU visa restrictions remain in effect against leading Transnistrian officials, including those directly involved with the Latin-script-language school crisis. We welcomed Ukrainian President Yushchenko's initiative to bring new directions to the conflict settlement process and are consulting closely with Ukraine, as well as with Moldova, the EU and Russia, on the way forward. We have continued to urge the Russian Government to use its influence with the Transnistrian leadership in ways conducive to a just settlement of the conflict.

The United States has urged all sides to work transparently with the OSCE to make concrete progress toward a political settlement. We are encouraged by the agreement reached between the sides and the existing mediators (the OSCE, Russia and Ukraine) on September 27 in Odessa to invite the United States and the EU to join the negotiations in the five-sided format as observers, and we joined the round of talks scheduled for late October. We support the EU's project for international monitoring of the Transnistrian segment of the Moldova-Ukraine border, scheduled to start in December, which we believe should support more effective enforcement of customs laws and regulations. We have also urged the Russian Federation to resume, in cooperation with the OSCE, its withdrawal of forces from the region in accordance with its commitments undertaken at the 1999 OSCE summit in Istanbul.

### **Turkmenistan**

In Turkmenistan, the human rights situation remains extremely poor where all fundamental rights are ignored and repressed by an authoritarian government. The de facto expulsion of OSCE Head of Center Ambassador Badescu in 2004 was a grave disappointment. The new Ambassador, Ibrahim Djikic, and his staff labor under difficult circumstances, working for one of the very few organizations that can provide the people of Turkmenistan with connections to the outside world.

### **Russia**

We used the OSCE HDIM to raise our concerns over specific developments and trends in the Russian Federation and to urge that country to show through constant action how it is advancing democracy, human rights and the rule of law at home and beyond. We remain concerned about the freedom of the media, NGOs, political parties, and national and religious minorities, as well as the rule of law. In Warsaw, we raised our increasing concern over the latest steps in a pattern of harassment against the human rights NGO, the Russian Chechen Friendship Society (RCFS), which promotes reconciliation between the Russian and Chechen peoples. We recognize and condemn without qualification the terrorist elements in the conflict and deplore the grievous atrocities committed by separatist forces, but this does not excuse abuses committed by Russian forces, a lack of meaningful accountability for such abuses, or discriminatory attitudes on the part of Russian authorities towards displaced persons from Chechnya. We again urged the Russian Federation to halt these abuses and hold their perpetrators, both military and civilian, accountable. The solution needed in Chechnya is a political one, not a military one, we have repeatedly called on all sides to work toward such a solution.

### **OSCE Field Missions in the Balkans**

Southeastern Europe remains the area with the highest concentration of OSCE field activity, a legacy of the organization's major role before and after the Balkan wars. The OSCE, in fact, devotes 72 percent of its total personnel and 53 percent of its total budget to the six Balkan missions.

With a total staff of nearly 1200 international and locally-hired personnel, the Mission in Kosovo is the largest OSCE field operation. The Mission is a distinct component of the United Nations Interim Administration in Kosovo, and is mandated with institution- and democracy-building and promoting human rights and the rule of law. The Mission to Bosnia and Herzegovina, the OSCE's second largest with 729 total personnel, was created in 1995 in the wake of the Dayton Peace Accords. The basic function of the Mission is to help rebuild Bosnia and Herzegovina as a multi-ethnic, democratic society. The four other Balkan missions are located in Macedonia, Serbia and Montenegro, Croatia, and Albania, and range in size from 338 to 120 personnel. All four are involved in helping to develop democratic institutions and processes, in monitoring and protecting human rights, and in promoting greater integration and inter-ethnic understanding.

While the OSCE has been gradually reducing the size of these six missions, it must not pull out of the Balkans too quickly. The political climate throughout the region remains unstable, while



democratic institutions and respect for human rights and the rule of law are not yet firmly rooted. Organized crime and the trafficking of drugs, weapons, and human beings remain region-wide problems.

The OSCE Mission in Kosovo (OMiK) is the OSCE's largest field mission. It has a record of success there, including through police training. As we prepare for final status talks for Kosovo, we must also begin to look at the role for the OSCE once those talks are concluded. Kosovo Head of Mission Wnendt has suggested that the OSCE and OMiK could play a greater role in institution-building and monitoring at the municipal level – drawing upon the OSCE's strong field presence in Kosovo and its traditional strengths.

The OSCE has been involved in Kosovo since it was the CSCE in the early 1990s, and its experience will continue to play an important role in building a stable future.

### **Georgia, Abkhazia and South Ossetia**

The United States supports a peaceful resolution of the South Ossetian conflict that respects the territorial integrity of Georgia. The situation in South Ossetia has been tense but without major outbreaks of violence for most of 2005, compared to 2004. Unfortunately, ten civilians were recently wounded in a mortar attack September 20. We have called on all sides to respect existing agreements and refrain from carrying out any further military activities in or near the zone of conflict. Recent tensions underscore the need for the sides to move forward with OSCE participation toward demilitarization and a political settlement. We believe the OSCE Mission should be enlarged to enable more comprehensive monitoring of the zone of conflict.

We welcome the ongoing and invigorated efforts of the Georgian Government to develop a viable game plan, and call on Tbilisi, Moscow and the Ossetians to work together toward a settlement offering Ossetia genuine autonomy within a unified Georgia.

Progress toward a political settlement of the Abkhaz conflict is slow. After a long pause marked by increased tensions and complicated Abkhaz "presidential" elections, the Georgian and Abkhaz sides returned to discussions in the "Geneva" format of the UN Friends of the Secretary General in May 2005 and participated in additional meetings in the Friends framework in Tbilisi. We hope for progress in the coming months on security assurances. We urge the Georgian Government and Abkhaz leaders to advance confidence building measures and resume a dialogue toward a settlement. We need to use the OSCE Mission in Georgia to assist those efforts. We seek Moscow's support as well.

We were deeply disappointed by the disbandment, at Russia's insistence, of the OSCE Border Monitoring Operation, which significantly contributed to stability on the Russian-Georgian border. We actively supported the 2005 OSCE training mission for border guards that filled the vacuum left by the closure of the BMO and we encourage the EU to work for a robust program to support monitoring of Georgia's borders.

### **Adapted CFE and Fulfillment of Istanbul Commitments**

Regarding the Adapted Treaty on Conventional Armed Forces in Europe, the U.S. and NATO position remains that we will not ratify the Adapted CFE Treaty until all remaining Istanbul commitments on withdrawal of Russian forces from Georgia and Moldova have been fulfilled. We welcomed the May 30 Georgia-Russia Foreign Ministers' Joint Statement setting timelines for the withdrawal of Russian forces from two bases in Georgia. Additional steps are needed, including signature of a detailed follow-on agreement. I am happy to note that the initial benchmarks agreed in the Joint Statement, including withdrawal of 40 pieces of Russian armor by September 1, have been met. The two sides still need to resolve the status of the Russian presence at a third base in breakaway Abkhazia. We are urging Moscow to match the recent progress in Georgia by restarting its military withdrawal from Moldova, where we have seen no progress since 2003. We continue to stress that resumption of the military withdrawal process would send an important political signal to the Transnistrian leadership in Tiraspol that the status quo will not

last forever. We have told the Russians very bluntly that we believe Moscow's political will is the key to making progress.

### **Energizing the Economic Dimension**

With the 2003 Economic Strategy Document as a tool, OSCE field missions and the Secretariat have developed projects focusing on boosting entrepreneurship. In addition, the OSCE is continuing to work with participating States to combat money laundering and terrorist financing. The United States and the OSCE are co-sponsoring a three-day, expert-level conference in November to enhance cooperation and share experiences of combating terrorist financing.

The OSCE has worked with partner organizations to map environmental hot spots and address regionally environmental problems that could cause friction between states. One successful program took place in Georgia, Armenia and Azerbaijan where, despite political tensions, scientists and others worked productively together to improve water quality. This is an excellent example of the OSCE's ability to bring states together to work on issues of mutual concern, where the exercise itself serves as a confidence building measure. The OSCE has also been working in conjunction with the United Nations to identify situations where environmental problems threaten to generate tensions, and then to assist governments in addressing those problems.

I believe there is more that can and should be done within the economic dimension. I am encouraged by the enthusiasm, energy, and expertise of the new Economic and Environmental Activities Coordinator, Mr. Bernard Snoy. My colleagues at our Mission in Vienna tell me he has selected a dynamic team to help him revitalize this important dimension, and I look forward to fresh thoughts for what more we can do in this area. Again, Central Asia seems the right place to focus new attention in this dimension.

### **Counterterrorism**

Counterterrorism is an area where there is universally good cooperation among all 55 participating States and a united sense of purpose. At last year's Ministerial, the OSCE adopted decisions on such issues as terrorist financing, travel document security, shipping container security and combating the use of the Internet for terrorist purposes. Many of these were U.S. initiatives. It has worked with the participating States to ratify all 12 United Nations Conventions and Protocols related to terrorism. Thus far, over 70 percent of the participating States have done so, almost double the number when the Plan for Action for Combating Terrorism was adopted at the Bucharest Ministerial in December 2002. Work continues on a shipping container security decision for the Ljubljana Ministerial in December 2005, which would encourage all participating States to adapt standards set by the World Customs Organization.

The State Department, through the Bureau of European and Eurasian Affairs, the Office of the Coordinator on Counterterrorism and the Bureau of Democracy, Human Rights and Labor, has worked closely with the OSCE's Anti-Terrorism Unit to provide much-needed expertise for a range of workshops aimed at helping other participating States improve their effectiveness in areas such as the use of the Internet to recruit terrorists. In November, the Department will co-sponsor a conference to be held in Vienna, which will bring together high-level officials from capitals to discuss new ways to combat terrorist financing. The OSCE's Anti-Terrorism unit is currently headed by a U.S. Foreign Service Officer with a deep background in counter-terrorism work. I believe he can help shape a forward-looking agenda in this area.

### **Security**

The Forum for Security Cooperation (FSC) has continued to play a positive role as an instrument of the Political-Military Dimension of the OSCE. The FSC made a significant step forward last November when it adopted controls on brokering of Small Arms/Light Weapons (SALW), a U.S. initiative that complemented discussions during an Economic Dimension seminar on arms

trafficking, demonstrating the value of the OSCE's cross-dimensional work. The FSC remains focused on requests for assistance in the destruction of excess stockpiles of SA/LW and conventional munitions submitted by Belarus, Kazakhstan, and Tajikistan, with the request from Tajikistan receiving the most attention in 2005. The United States provided \$200,000 to OSCE efforts in Tajikistan for weapons destruction.

The FSC is also considering how best to assist several States in removing the threat of rocket fuel (mélange) left over from the Soviet Union through active involvement of OSCE field presences. The OSCE Mission to Georgia successfully completed a project turning this toxic, dangerous rocket fuel into fertilizer; the OSCE Office in Yerevan, Armenia, is implementing a similar project with substantial U.S. support. The Conflict Prevention Center has coordinated with NATO and other regional organizations to examine the rocket fuel situation in Azerbaijan, Belarus, Kazakhstan, Russia (Kaliningrad) and Ukraine. Such cross-dimensional activities of OSCE field presences enhance their value to the host countries. The OSCE's small Secretariat allows for flexibility, while obligating the participating States to take on substantial responsibilities in project development and execution, in full coordination with the EU, NATO and other organizations.

The FSC continues to promote confidence- and security-building measures throughout the OSCE region, with the broad goal of enhancing military transparency and stability. Years of focused efforts to improve implementation were rewarded when Kazakhstan recently hosted its first-ever Vienna Document 1999 (VD-99) Military Contacts event. The FSC will also conduct a high-level Military Doctrine Seminar February 14-15, 2006, in Vienna. Then-Chairman of the Joint Chiefs of Staff, General Colin Powell, attended the first such Seminar at OSCE in 1990.

### **Policing**

OSCE participating States increasingly recognize that without effective law enforcement and genuine respect for the rule of law and the institutions responsible for upholding it, social, political, and economic stability cannot take root. In this respect, the OSCE has established police assistance programs in eight of its seventeen field missions: four in the Balkans, three in the Caucasus, and one in Central Asia, in Kyrgyzstan. The focus of OSCE police-related assistance in these eight field missions is on capacity and institution-building, on developing the day-to-day operational policing skills that allow these emerging democracies to meet the risks and challenges posed by trans-national and organized crime and by trafficking in drugs, arms, and human beings. An equally important goal, however, is to build trust and confidence between the police forces and the people they serve by promoting communication between them and by involving local communities in the work of the police. The underlying principle is that the police can effectively – or even more effectively – do their job within the accepted norms of democratic societies.

### **Outreach**

The OSCE Partners for Cooperation became more active this year after a Ministerial decision to enhance OSCE-Partner activities last December. In June, the Partners participated in a side-event at the Annual Security Review Conference to discuss Security issues that were relevant to them. At the High Level Consultations in September, Mediterranean and Asian Partners made respective statements calling for enhancement of OSCE-Partner ties. The U.S. supports Partner efforts to enhance their involvement in OSCE activities. We encouraged the Mediterranean Partners to make joint proposals to the Organization on ways they could cooperate, to which they responded by presenting ideas on how to enhance their participation in the daily functioning of the OSCE. While the U.S. is supportive of some of their ideas, such as establishing contact points at OSCE institutions, we would like to see them initiate practical cooperation before considering larger scale commitments like funding Partner projects or granting them participating state status. First steps could be for them to second personnel to OSCE election observation missions and to send representatives to visit OSCE institutions like ODIHR.

### **Ljubljana Ministerial**

At the Ljubljana Ministerial in December, we will highlight the accomplishments of the OSCE in this anniversary year, particularly its success as a platform for the promotion of freedom and democracy. At the same time, we will build support for the important work which still lies ahead. We will again strongly urge Russia to fulfill all its Istanbul commitments. We expect the Ministerial to endorse OSCE work on promoting tolerance, anti-trafficking, gender equality, shipping container security, small arms and light weapons, MANPADS, and the destruction of excess stockpiles of ammunition and weapons.

The issue of how the OSCE funds itself is still unresolved but we hope by the Ministerial to have agreement on new OSCE scales of assessment. Russia is still seeking a dramatic reduction in its contributions to the OSCE, and remains the lone holdout among OSCE's 55 participating States on new scales. In our view, proposals to reduce a single State's contributions radically cannot be the basis for the kind of serious discussions needed among OSCE States.

The United States stands behind the criteria for adjustment of the scales adopted in 2001 and 2002 – assessments based on the political nature of the organization as well as nations' capacity to pay, but within ceilings and floors on contributions. All participating states benefit from the OSCE and all use the organization to advance their national interests. The OSCE achieves results at a comparatively modest cost. We hope other participating states will adopt responsible approaches and negotiate constructively on this issue in order to allow the OSCE to concentrate on fulfilling its important mandates. We note the OSCE budget process has improved markedly over the past several years and hope we will have agreement on a 2006 budget by the end of December as well. Systems put in place last year to track budget allocations and expenditures more efficiently are already providing more transparency and accountability.

## **Conclusions**

The Organization for Security and Cooperation in Europe has been a successful vehicle for managing security challenges over the past thirty years. Its record of achievements over the past year is impressive. With strong U.S. political and financial support, the OSCE sent rapid infusions of OSCE election observers, experts, advisors, and political leadership in response to calls for assistance from Ukraine and Kyrgyzstan during their political transitions. Also with strong U.S. support, the OSCE Chairman-in-Office appointed three Personal Representatives in December 2004 to combat anti-Semitism, discrimination against Muslims, and racism. These individuals are working to engage with individual governments and non-governmental organizations on OSCE's tolerance work.

The OSCE's Conference on Anti-Semitism and on Other Forms of Intolerance, held in Cordoba in June 2005, kept the spotlight on anti-Semitism as well as other tolerance issues – racism, xenophobia, and anti-Muslim and anti-Christian discrimination. The Cordoba Declaration reaffirmed the commitments of OSCE states and called for additional work on education, legislation and law enforcement.

The OSCE plays a unique and vital role in the advance of freedom and democracy throughout the Euro-Atlantic area. On economic development, the OSCE promotes good governance and helps countries put systems in place to fight corruption. On political-military issues such as the fight against terrorism, border security, small arms and light weapons, and excess stockpiles, the OSCE fills crucial niche gaps. It has proven to be an effective diplomatic tool that complements our bilateral diplomatic and assistance efforts throughout Europe and Eurasia.

The OSCE faces new challenges and opportunities ahead, and we hope the reform process will result in making its missions and institutions better able to adapt and respond to changing circumstances. The U.S. will continue to work with its partners within the OSCE to advance the shared objectives of the trans-Atlantic community. Thank you.